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Office of the Governor

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Kentucky Governor Patton Introduces Tax Amnesty Program

Program estimated to raise \$20 million for state services this year

FRANKFORT, KY (July 31, 2002) ---Governor Paul Patton and officials from the Kentucky Revenue Cabinet today unveiled the 61-day Kentucky Tax Amnesty program that begins August 1 and ends Sept. 30. The press conference announcing the program was simulcast to six additional locations across the state including Ashland, Bowling Green, Hazard, Northern Kentucky, Owensboro and Paducah.

"Tax Amnesty is a rare opportunity for those who live, work, or do business in Kentucky to pay any back state taxes they owe without penalties, interest or prosecution. It's time to get right with the government," said Governor Patton.

Governor Patton and Revenue Cabinet Secretary Dana Mayton answered questions regarding the Kentucky Tax Amnesty program and highlighted the key elements of the program. The Tax Amnesty television commercial, theme song and "Tax Amnesty Man" personality were also introduced at the press conference.

Tax Amnesty includes all state taxes directly administered by the Kentucky Revenue Cabinet. Property taxes levied on real estate, motor vehicles and motor boats payable to local officials are not included. The program applies to back taxes incurred on or after Dec. 1, 1987 and prior to Dec. 1, 2001. Virtually all taxpayers are eligible to participate in the program.

"Tax Amnesty will generate much needed revenues for the state during these tough economic times," Secretary Mayton said. "In addition to increasing funds for the Commonwealth, Amnesty gives taxpayers who owe back taxes an opportunity for a fresh start."

Secretary Mayton said the two-month Amnesty program is expected to generate \$20 million in 2002 and another \$7 million in 2003. Approximately 90,000 taxpayers will receive pre-filled Amnesty applications. Taxpayers eligible for Amnesty, but who do not participate, will incur increased penalties and fees at the conclusion of the program.

This is only the second time in Kentucky history that the state has conducted a Tax Amnesty program. The first program conducted in 1988 waived penalties, fees, and one-half of the interest. The 2002 program not only waives all

penalties and fees, but also all of the interest. This Amnesty Program (House Bill 614) was enacted during the 2002 session of the General Assembly and was signed into law by the governor earlier this year. The 1988 program generated more than \$61 million, exceeding expectations.

For more information, visit www.amnesty.ky.gov or call the Amnesty toll-free number 1-877-ONLY-TAX (1-877-665-9829). Amnesty applications are available at the offices of County Property Valuation Administrators and at Kentucky Revenue Cabinet Taxpayer Service Centers throughout the state.

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